

# UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

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May 14, 2013

Mr. Gary D. Goeke Chief, Environmental Assessment Section Leasing and Environment (MS 5410) Bureau of Ocean Energy Management (BOEM) 1201 Elmwood Park Boulevard New Orleans, LA 70133-2394

Subject: : EPA NEPA Review Comments on BOEM's FSEIS for "Gulf of Mexico Outer Continental Shelf (OCS) Oil and Gas Lease Sales: 2013-2014 Western Planning Area Lease Sales 233: Central Planning Area Lease Sales 231"; CEQ #20130088

Dear Mr. Goeke:

The U.S. Environmental Protection Agency (EPA) has reviewed the subject Bureau of Ocean Energy Management (BOEM) Final Supplemental Environmental Impact Statement (FSEIS) in accordance with our responsibilities under Section 102(2)(C) of the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act. It is our understanding that BOEM proposes lease sales in the Gulf of Mexico (GOM) Outer Continental Shelf (OCS) for lease blocks in both the Central Planning Area (CPA) and the Western Planning Area (WPA). Since the proposed action impacts areas in Region 4 and Region 6 both EPA regions participated in this review.

EPA provided comments on the Draft Supplemental Environmental Impact Statement (DSEIS) for the above referenced proposed action in a letter dated January 7, 2013. Our primary concerns outlined in our DSEIS related to potential impacts to air, coastal ecosystems, wetlands, mitigation, and impacts on environmental justice populations. We appreciate the BOEM's efforts to include a dedicated section in the FSEIS which includes specific responses to our comments. We have focused our review of the FSEIS on the BOEM's specific responses to our DSEIS comments. EPA has the following comments:

### <u>Alternatives</u>

In our DSEIS comments we requested additional information to be included in the FSEIS regarding the estimated resources that could be developed under Alternative B (BBO and Tcf of gas). We believe that this is critical information when comparing the alternatives. We appreciate BOEM's efforts to clarify the potential resources to be developed under Alternative B.

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<sup>&</sup>lt;sup>1</sup> p. 5-25 thru 5-51 of the FSEIS

However, we note that Section 2.2.1.2 of the FSEIS (after resources to be developed has been added) appears to have a typo. It is stated in the FSEIS that "The estimated amount of resources projected to be developed is 0.116-0.200 BBO and 0.538-0.938 Tcf of gas (Refer to Chapter 2.4.2 for further details)." This estimate of developable resources is significantly less than the estimates provided for Alternative A (0.460-0.894 BBO and 1.939-3.903 Tcf of gas), but based on our understanding should be the same as Alternative A.

EPA recommends that estimates of resources (gas and oil) developed for all action alternatives be clearly outlined in future NEPA documents. Since the resources to be developed under Alternatives A and B are very similar, EPA also recommends providing language in future EISs that describe why resources to be developed under Alternative A and B are similar (data constraints, etc.). EPA believes this will help a reader better understand the similarities and differences between the action alternatives.

### <u>Air</u>

EPA's previous air comments on the DSEIS focused generally on ozone impacts, air quality impacts, mitigation relating to air impacts, consideration of climate change and greenhouse gases, and air quality offshore modeling analysis performed by BOEM. EPA looks forward to continued coordination on BOEM's air quality impact assessments and offshore air quality modeling efforts on future offshore oil and gas lease sale NEPA actions.

# Ozone Impacts

As stated in our comments on the DSEIS, BOEM cites studies conducted in 1995 (Gulf of Mexico Air Quality Study), 2004 (2000 Gulf-wide emissions inventory), and 2008 (Assessment of onshore air quality impacts for the eastern Gulf Coast) as the basis of not performing ozone modeling for this analysis. The 2004 and 2008 studies were unpublished (References, Appendix A). The DSEIS concludes that contributions to ozone exceedances shown by these studies are "minor" and "slight." <sup>3</sup>

EPA appreciates BOEM's additional summary information provide on p-5-43 regarding findings of the studies cited in the DESIS and FSEIS. EPA remains concerned regarding the length of time that has elapsed since the earlier studies and we continue to question the relevance of this earlier data and studies to the currently proposed action.

#### Air Quality Impacts

EPA supports BOEM's commitment in the FSEIS to conduct a variety of sensitivity analyses, a comparison of emission inventories, and an evaluation of emission scenarios using USEPA-approved models, which will support BOEM's scientific analyses and overall assessment of air quality impacts in future EIS's.<sup>4</sup>

<sup>&</sup>lt;sup>2</sup> P. 2-5 of FSEIS

<sup>&</sup>lt;sup>3</sup> Section 4.2.1.1 of FSEIS

<sup>&</sup>lt;sup>4</sup> p. 5-43 of FSEIS

EPA continues to be concerned that BOEM has chosen to constrain their NEPA analysis to onshore impacts required by the OCSLA and DOI's air quality regulations. While BOEM uses this approach for plan approvals, EPA suggests that NEPA analyses should also address compliance with all applicable air quality regulations. Of primary concern should be impacts to those areas under state jurisdiction and that must show attainment with all NAAQS, including areas 3 to 9 miles offshore, as applicable, and areas east of longitude 87.5. Federal, state, and local agencies will look at the EIS as a planning tool for ensuring compliance with the NAAQS and PSD increments. Therefore, EPA continues to recommend that the BOEM include in future studies and NEPA analyses, impacts to state tideland areas under state jurisdictions and Class I areas using contemporaneous analyses and the best available models and emissions inventories. As in past agency correspondences and NEPA coordination efforts with BOEM, EPA is willing to provide technical assistance, depending on available resources, related to air quality impact analysis's and air quality modeling efforts.

# **Air Impacts Mitigation**

EPA appreciates BOEM providing a website location<sup>5</sup> for air quality mitigation examples applied to specific permits and approvals. EPA tried to access the website provided, but was unsuccessful. EPA recommends either revising the website address or adding the specific mitigation information directly in future NEPA documents.

Based on our review of the Mitigation Measures section - Chapter 2.2.2 of the FSEIS, it doesn't appear that specific examples of air impacts mitigation or the above cited website have been added to this section. EPA recommends providing these references or specific air impact mitigations in the body of future NEPA documents.

EPA recommends that BOEM consider additional air mitigation measures for OCS projects that are readily available, such as the use of low sulfur fuels, inherently lower polluting engine designs (i.e. use of tier-certified non-road and marine engines vs. export engines), electrification of cranes and support equipment, fuel efficiency measures, and add-on controls.

### Consideration of Climate Change and Greenhouse Gases

EPA appreciates BOEM's efforts to estimate CO2-equavalent GHG emissions for the proposed actions for the CPA and WPA. Echoing our previous comments regarding consideration of climate change and greenhouse gasses, we recommend that the summary and conclusion section of the Air Quality Sections (4.1.1.1 and 4.2.1.1) be revised to include BOEM's statement provided in Chapter 5 regarding GHG emissions and climate change "At this time, the greenhouse gas emissions related to OCS oil and gas activities are a very small percentage of national emissions, and it would be impossible to tease out the impacts from this small incremental addition from global climate change impacts attributable to all other global sources."

<sup>6</sup> p. 5-43 of FSEIS

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<sup>&</sup>lt;sup>5</sup> http://www.data.boem.gov/homepg/data\_center/plans/plans/master.asp

EPA notes that cumulative CO2 emissions for the CPA and WPA over a 40-year period are provided in Tables A-1 and A-2 of Appendix A. EPA recommends BOEM provide additional discussion in the environmental impacts sections of future NEPA documents regarding the cumulative GHG emissions impacts from proposed future OCS projects.

## Wetlands and Coastal Areas

EPA appreciates BOEM providing examples of quantifiable data that can be used to determine the level of impacts to wetlands and coastal ecosystems. We understand that this SEIS tiers off the 2012-2017 WPA/CPA Multisale EIS, therefore a significant amount of detail related to impacts to these systems is provided in this previous EIS. We also understand that incorporation of information by reference is an acceptable practice under NEPA, however requiring the reader/reviewer to research past NEPA documents can be onerous. EPA remains concerned about the potential for cumulative impacts on near shore wetlands and coastal areas. Coastal wetland systems are very sensitive systems that are increasingly stressed from all types of anthropogenic activities (coastal development, maintenance dredging of channels, oil spills, etc) in addition to natural events (hurricanes). In addition, stresses on these systems are predicted to increase with climate change and sea level rise.

### Oil Spill Analysis

In our DSEIS comments, EPA recommended providing additional detail in the FSEIS regarding the methodology for estimating coastal spills and the estimated number of spills that would be expected with the proposed actions. BOEM responded by referencing oil spill methodology in the 2012-2017 WPA/CPA Multisale EIS, which as indicated earlier, is an appropriate practice under NEPA. EPA appreciates that BOEM included the referenced Multisale EIS on the CD for this FSEIS, which allows for the reader to review the cited EIS more easily.

#### **Environmental Justice**

The federal action proposed under this FSEIS has the potential to impact EJ communities negatively and positively. The potential negative impacts on EJ communities involve oil spills that negatively impact communities that rely on commercial and recreational fishing, oystering, and subsistence fishing. Other negative impacts are associated with the oil-related infrastructure and its impact on minority and low-income communities. The infrastructure support system for oil- and gas-related industries in the GOM is highly developed, widespread, and has operated for decades within a heterogeneous GOM population. The potential positive impacts associated with the proposed action include increases in economic activity and job creation in these same communities.

EPA appreciates BOEM's efforts to improve research and collect data relating to the health and environment of minority populations and low-income populations; and identify differential patterns of consumption of natural resources. These activities are consistent with the intent of the Executive Order 12898 and DOI's EJ Strategic Plan (<a href="http://www.doi.gov/pmb/oepc/upload/Final-DOI-EJ-SP-March-27-2012.pdf">http://www.doi.gov/pmb/oepc/upload/Final-DOI-EJ-SP-March-27-2012.pdf</a> - Goal 3 of the 1995 Plan).

In an effort to improve public communication and access to environmental information on consumptive patterns, EPA recommends that the report and summary be concise, understandable and readily available to affected communities along the Gulf Coast, including low-income and minority populations. EPA notes that BOEM acknowledged in the FSEIS that various agencies and industries mitigated for the Deepwater Horizon Oil Spill and explosion, but noted that this was outside of the scope of the Supplemental EIS and their responsibilities under NEPA. EPA requests that any contingency plans that are developed as part of the lease sale process address the need to supplement local subsistence fishing in the event of an accidental release.

### Mitigation

EPA previously provided comments regarding mitigation for impacts on coastal resources, and we requested that BOEM make a commitment to fully mitigate and/or compensate for all unavoidable losses of coastal resources, as well as for the physical, chemical, and biological functions and ecological services they provide. In response to our comments, BOEM indicates that they have responsibility for permitting infrastructure emplaced on the OCS only, and that infrastructure that is constructed in onshore coastal areas are permitted by states and the USACE. While EPA understands that mitigation is required under other permitting authorities (state and federal) we still believe that these impacts are connected actions as described in (§1508.25), and we remain concerned about the overall cumulative impacts to coastal resources and mitigation of these impacts.

# **National Historic Preservation Act and Tribal Consultations**

EPA appreciates BOEM's efforts to update the NHPA consultation discussion for the proposed action. EPA acknowledges the tribal coordination and outreach efforts highlighted in BOEM's response. We also recognize that BOEM is in the process of reinitiating programmatic Tribal consultations.

EPA appreciates the opportunity to review this FSEIS. We request that the BOEM provide specific responses in the Record of Decision (ROD) to our outstanding concerns listed above. We also request that the BOEM provide EPA with a copy of the final signed ROD. Should the BOEM have questions regarding our comments, please feel free to contact Dan Holliman of my staff at 404/562-9531 or <a href="https://holliman.daniel@epa.gov">holliman.daniel@epa.gov</a>.

Sincerely,

Heinz J. Mueller

Chief, NEPA Program Office

Office of Environmental Accountability